FOR THE FISCAL YEAR APRIL 1, 2002 TO MARCH 31, 2003

80th ANNUAL REPORT 2003

MLCC

MANITOBA LIQUOR CONTROL COMMISSION

MISSION STATEMENT

The mission of the MLCC is to promote the safe, healthy and responsible use of beverage alcohol products, thereby generating revenues for the province.

CORPORATE VALUES

MODERATION – promote responsible use as a way of life

QUALITY SERVICE – care for our customers, suppliers and one another

FOCUS ON RESULTS – getting the job done right

CONTINUOUS IMPROVEMENT – moving ahead in everything we do

INTEGRITY AND FAIRNESS – nurturing respectful business relationships

IMPORTANCE OF PEOPLE – fostering a positive workplace that builds teamwork, mutual respect and encourages individual development

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COMMISSION STRUCTURE

The Manitoba Liquor Control Commission's corporate structure is typical of provincial Crown agencies.

The Board of Commissioners oversees the activities of the Commission. The Board Chair reports to the Minister responsible for *The Liquor Control Act*, who, in turn, reports to the Legislative Assembly.

The Licensing Board considers applications for licences and determines the appropriate disciplinary action for breaches of *The Liquor Control Act*. These decisions may be appealed to the Board of Commissioners.

The provincial government appoints all board members. The day-to-day operations of the Commission are the responsibility of the President and Chief Executive Officer who reports to the Board of Commissioners.

Licensing Board

(l to r) Louise Wilson, Jim Still, Les Barrett, Dale Neal (Vice-chair), Vic Wonnacott (Chair), seated.

Board of Commissioners

(l to r) Fran Frederickson, Bernard Christophe (Vice-chair), Carmen Neufeld (Chair), Ed Azure, Les Crisostomo, Myrna Phillips. (Missing: Maria Moore, Garry Hammerback)

CHAIR'S MESSAGE

On behalf of the Board of Commissioners, I am pleased to present the 80th Annual Report of the Manitoba Liquor Control Commission. This report not only highlights the MLCC's financial achievements this past fiscal year; it also outlines our major strategic accomplishments.

While we are proud of our financial success, the Board of Commissioners remains dedicated to ensuring strong social responsibility programming. In Fiscal 2003 we continued our support for public awareness programs such as "With Child Without Alcohol", which advocates no alcohol during pregnancy. We were extremely pleased that the program was recognized internationally with a National Health Care Advertising Award in Atlanta, Georgia.

In the latter part of the year, a new program was introduced to raise awareness among young adults to the social and physical risks of over-consumption of alcohol or "binge" drinking. "Be Undrunk" posters and radio commercials have already begun to foster discussion and awareness of this issue and we look forward to the future development of this program.

As part of our strategic commitment to move toward best practices in all areas, much time and effort was spent on the development of a corporate governance model and policies. While the process was challenging, the end product reflects the respect and trust that has developed between the board and management over the past several years. I must recognize the dedication and hard work that went into these documents and would like to thank the Governance Committee for dedicating themselves to the process. I am extremely pleased that we were able to develop a governance model and policies that clearly set out the roles and responsibilities for both the board and management and at the same time, are highly readable and easily understandable.

Continuing with our commitment to best practices, we also initiated the development of a Code of Conduct for the MLCC. While the MLCC has had informal rules of conduct and behavior, best practice models call for a formal written document that clearly explains and demonstrates expectations and guidelines for board members, management and staff. To ensure the code is meaningful and relevant to everyone employed by the Commission, a consultative approach was taken. As a result, management and staff were given opportunities to help develop and comment on the draft code. The code will be refined and delivered to all employees in Fiscal 2004.

All in all, it was a very productive year. One that was made possible only due to the dedication, commitment and hard work of everyone at the Commission. Thank you to board members, as well as the management and staff of the MLCC for your drive and determination to meet financial and strategic commitments in Fiscal 2003. It has been a pleasure working together as a team during this past year and I know that we have a solid foundation to achieve even greater success in the future.

Carmen Neufeld
Chair
July, 2003

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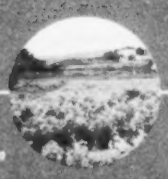


PRESIDENT'S MESSAGE

Thanks to the guidance of the Board of Commissioners, the vision of our Executive Team and the hard work and dedication of our employees, I am pleased to report another successful year for the Manitoba Liquor Control Commission with a profit of $166.3 million returned to the province of Manitoba.

While Fiscal 2003 was not without its challenges, we were able to successfully meet our financial and strategic goals through a combined commitment to customer service, commitment to employee well-being and a commitment to our community through social responsibility programming.

COMMITMENT TO CUSTOMER SERVICE

The MLCC has embraced Quality Service as one of its corporate values and this past year our achievements have been nothing short of outstanding. In customer service shops Liquor Marts achieved a 92 percent average – the highest score to date. In addition, a customer survey that compared Liquor Marts to three other main retailers, resulted in Liquor Marts receiving top marks in 14 out of 15 categories. To top our year off, the MLCC was named the Opimian Society's Liquor Jurisdiction of the Year for 2002 and we received their Award of Excellence for outstanding service.

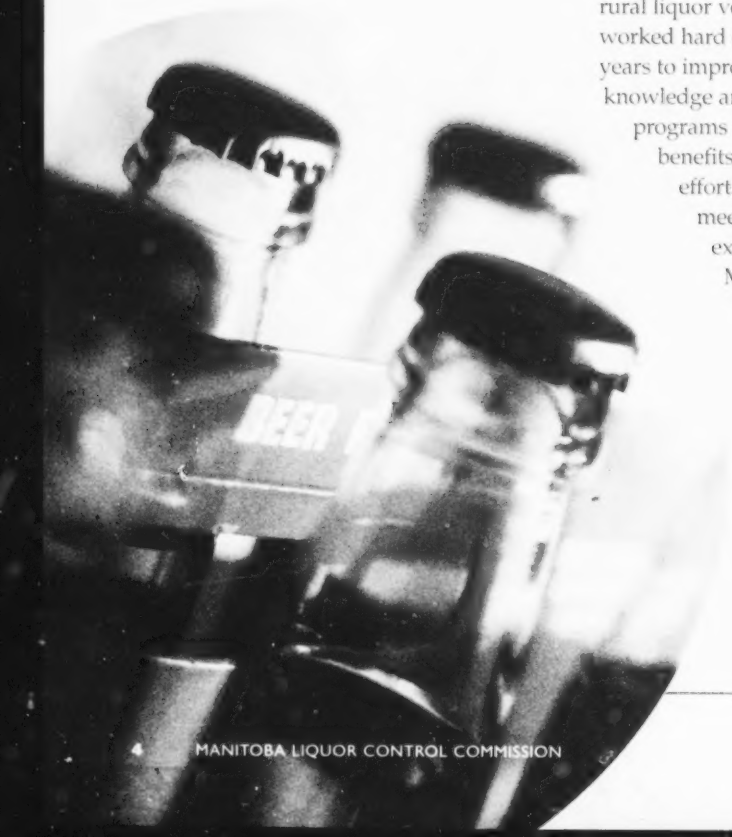
Recognition must also be given to our rural liquor vendors who have also worked hard over the past couple of years to improve variety, product knowledge and social responsibility programs and are now seeing the benefits. As a result of these efforts, their sales are now meeting and in some cases, exceeding those of Liquor Marts.

None of these accomplishments are possible without the dedication and drive of our employees who work hard every day to ensure that our commitment to service is not only met but exceeded.

COMMITMENT TO EMPLOYEES

People have always been one of the greatest strengths of the Commission. Our employees take pride in their service to their community and to the province. The desire of the Commission is to ensure that the MLCC continues to be an employer that Manitobans are proud to work for and to represent.

This past year, the MLCC looked at its service to our employees and undertook number of workplace quality initiatives. As a result, we've taken steps to improve internal communications and performance feedback and more specifically, to address workload issues. We've also begun succession planning to ensure that the MLCC fosters the growth of future leaders of our organization.



WHILE FISCAL 2003 WAS NOT WITHOUT ITS CHALLENGES, WE WERE ABLE TO SUCCESSFULLY MEET OUR FINANCIAL AND STRATEGIC GOALS THROUGH A COMBINED COMMITMENT TO CUSTOMER SERVICE, COMMITMENT TO EMPLOYEE WELL-BEING AND A COMMITMENT TO OUR COMMUNITY THROUGH SOCIAL RESPONSIBILITY PROGRAMMING.

Certainly our largest initiative across the organization has been our five-year LINK project to implement JD Edwards, an enterprise wide software application that will integrate 20 or so outdated computer systems to one system. Now in its fourth year, I am pleased to report that we have successfully implemented our Finance and HR systems in Fiscal 2003. While this project has involved a major amount of time and energy throughout the organization, it is one that will provide numerous benefits for employees including a better work environment.

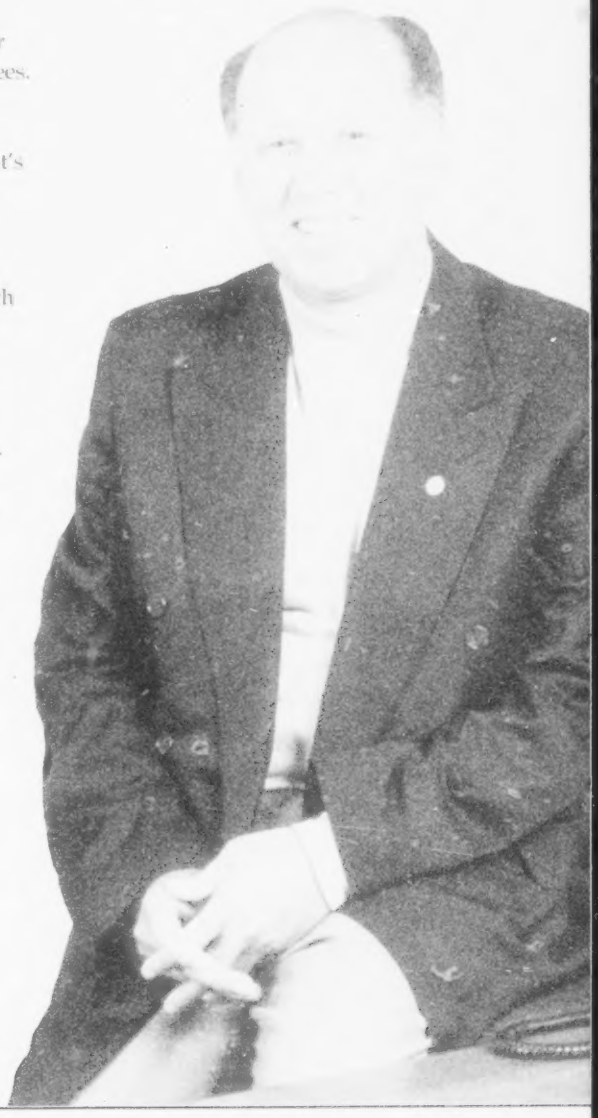
COMMITMENT TO OUR COMMUNITY

The MLCC's commitment to community goes far beyond generating revenue for provincial programming. The Commission continues to support community, art and sporting events, charitable organizations and industry conferences through a variety of sponsorships and donations.

As always, the promotion of responsible consumption of beverage alcohol underlies everything we do. Public awareness programs such as "Show Your Age", "With Child – Without Alcohol" and our newest "Be Undrunk" campaigns continue to deliver important messages regarding alcohol consumption. In addition, the MLCC continues to work with its partner organizations to promote and deliver responsible service training to licensees. This past year over 7,000 owners, managers and servers in licensed establishments were trained in the "It's Good Business" responsible service training course.

Overall, I am proud of the many accomplishments this past year which could only have been achieved with the guidance of our Board of Commissioners, the dedication and commitment of our employees and the support of our industry partners. Thank you all for helping to make Fiscal 2003 one of the MLCC's most successful years!

Don Lussier
President & CEO



STRATEGIC PLAN REVIEW

IN 2001, THE MLCC REVISED ITS STRATEGIC FRAMEWORK TO BETTER REFLECT THE CURRENT ENVIRONMENT. THE STRATEGIC FRAMEWORK EVOLVED INTO MORE SPECIFIC STRATEGIC INITIATIVES UNDER FIVE KEY THEME AREAS, EACH WITH ITS OWN GOALS AND OBJECTIVES. THESE THEME AREAS SERVE AS A BLUEPRINT FOR INCORPORATING OUR MISSION STATEMENT INTO DAY-TO-DAY ACTIVITIES. THE FIVE THEME AREAS ARE FINANCIAL, SOCIAL RESPONSIBILITY, CUSTOMER SERVICE, BUSINESS EFFECTIVENESS AND WORKPLACE QUALITY. THIS REPORT HIGHLIGHTS OUR ACCOMPLISHMENTS IN EACH OF THESE AREAS IN FISCAL 2003.

FINANCIAL

Goal: Continue to be an important contributor to Manitoba's general revenue through the controlled sale of beverage alcohol products and services.

Objective #1: Annually increase net profits paid to the province of Manitoba while recognizing the limitations of economic climate, flat volumes, provincial control over mark-ups and supplier control over cost increases.

STRATEGIES & ACCOMPLISHMENTS:

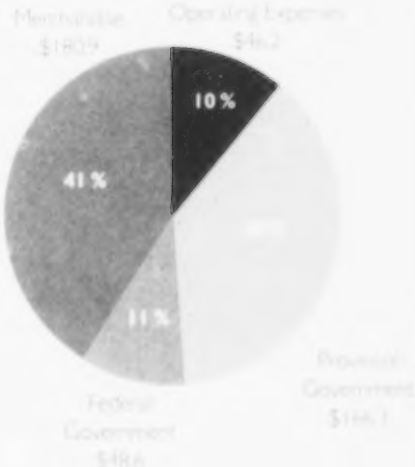
- To meet its financial goals, the MLCC has set a long-range target of a minimum one percent net profit growth based on current and historical trends for volume, prices and markup. The Commission exceeded its goal by returning $166.3 million to the province – an increase of 1.8 percent over the previous year! This is slightly below budget due to poor spring and summer weather in 2002, which resulted in slower beer sales.
- A full year of Sunday sales and the encouragement of higher-end purchasing offset the slower sales. The average retail sales target of $28.60 per retail customer transaction was achieved by a shift in sales to more premium-priced products.
- While meeting its financial obligations, the MLCC continues to monitor its pricing relationship with other provinces. In a cross-Canada pricing comparison, Manitoba prices remain competitive with our nearest neighbors, Saskatchewan and Ontario.

Objective #2: Exercise control over mark-up rates while maintaining transparency.

STRATEGIES & ACCOMPLISHMENTS:

- Under *The Liquor Control Act*, the MLCC has the power to buy, sell and import liquor, however, historically, pricing has been approved by the provincial government. A board-approved policy change in late F'02 allowed the Commission to implement flexible pricing in F'03, while maintaining transparency. This was achieved through a package equalization assessment on larger package sizes of spirits and wines.

RETURN TO PROVINCE: $166.3 MILLION FOR MANITOBANS



Retail Sales Tax – $13.2
Environmental Protection Tax – $1.7
Waste Reduction & Prevention Tax – $0.3

ADDITIONAL PAYMENTS TO THE FEDERAL GOVERNMENT (in millions)
Goods and Services Tax – $30.7

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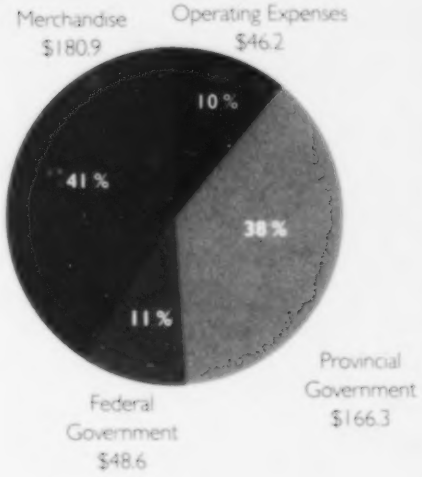

ADDITIONAL PAYMENTS TO THE PROVINCE (in millions)
Retail Sales Tax – $13.2
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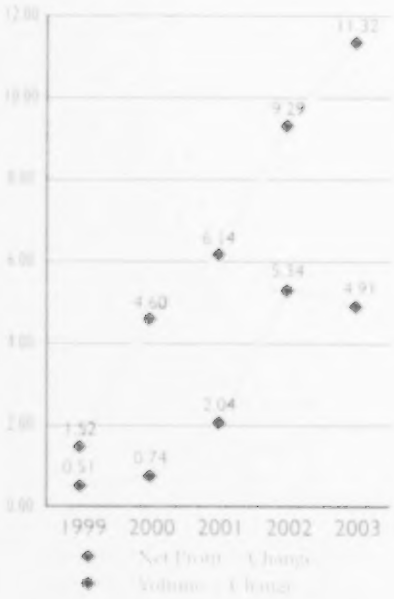
PROFIT AND EXPENSE RATIOS (in thousands)

Fiscal years ending March 31

	1999	2000	2001	2002	2003
Sales	$ 329,929	$ 393,535	$ 418,825	$ 422,604	$ 434,980
Gross Profit	182,312	188,211	198,698	199,140	205,448
Net Profit	131,710	156,304	158,613	163,316	166,347
General and Administrative Expenses	35,238	36,398	36,622	39,938	44,127
Depreciation	663	961	1,084	1,462	2,107
Gross Profit as % of Sales	48.0%	47.8%	47.6%	47.1%	47.2%
Net Profit as % of Sales	39.9%	39.7%	39.6%	38.6%	38.2%
General and Administrative Expenses as % of Sales	9.3%	9.2%	9.1%	9.5%	10.1%

CUMULATIVE % PROFIT & VOLUME



PRODUCT $ SALES IN MILLIONS

	Beer	Spirits	Wine	Coolers/Ciders
1999	172	148	52	8
2000	175	152	58	9
2001	181	153	58	9
2002	193	154	63	13
2003	199	154	67	15

VOLUME SALES – MILLIONS OF LITRES

	Beer	Spirits	Wine	Coolers/Ciders
1999	69.0	6.3	3.8	1.8
2000	68.6	6.4	6.2	1.9
2001	69.5	6.4	6.3	2.0
2002	71.3	6.3	6.7	2.6
2003	70.6	6.3	6.8	2.9

PER CAPITA CONSUMPTION IN LITRES

	Beer	Spirits	Wine	Coolers/Ciders
1999	60.6	5.5	5.1	1.6
2000	60.0	5.6	5.5	1.7
2001	60.5	5.6	5.5	1.8
2002	62.0	5.5	5.8	2.3
2003	61.3	5.4	5.9	2.5

Source: Statistics Canada, Vol. 63 (1992-2000)
Canada total population as of July 1 (2001-2003)

PROFIT AND EXPENSE RATIOS *(in thousands)*

Fiscal year ending March 31

	1999	2000	2001	2002	2003
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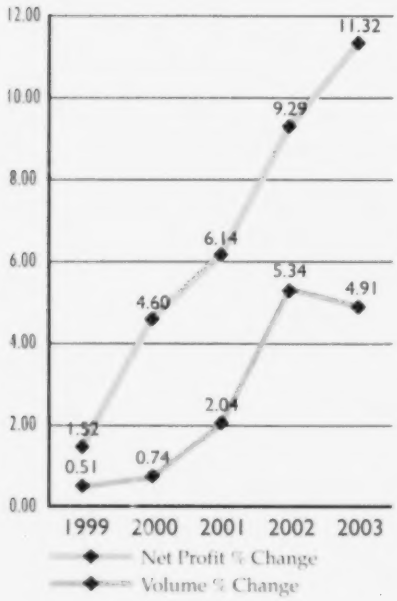

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2001	60.5	5.6	5.5	1.8
2002	62.0	5.5	5.8	2.3
2003	61.3	5.4	5.9	2.5

Source: Statistics Canada CANSIM II table 051-0001 based on total population as of July 1 of each year.

SOCIAL RESPONSIBILITY

Goal: Promote the safe, healthy, responsible service and use of beverage alcohol products.

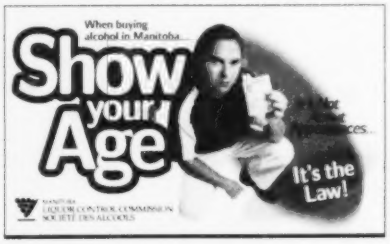
Objective #1: Support programs to promote the socially responsible consumption of beverage alcohol products.

STRATEGIES & ACCOMPLISHMENTS:

- In March 2003, the MLCC launched a new public awareness program aimed at curbing excessive drinking among young adults (18-24 years of age). The program, called "Be Undrunk", was launched at several post-secondary institutions and a variety of licensed establishments throughout the province. Posters and radio commercials adopted a "social norms" approach to situations involving alcohol consumption and the target age group. Both mediums conveyed the message that over consumption of alcohol is undesirable social behavior. The program was launched late in the fiscal year and awareness of and response to the program have been positive.
- The MLCC continued to support the "With Child – Without Alcohol" program, which was launched in F'02 to raise awareness to the dangers of consuming alcohol while pregnant. Over 5,000 information kits have been distributed to health agencies, physicians, interested organizations and the general public through the Interagency on Fetal Alcohol Syndrome and Effects. In F'03, the College of Physicians and Surgeons of Manitoba supported the program by participating in a third television commercial. The commercial, which featured a well-known and respected Manitoba pediatrician, was well received by the public.
- As part of its commitment to the Canadian Association of Liquor Jurisdictions, the MLCC participated in a national program to address responsible hosting during the Christmas holiday season. Two booklets; one containing information on how to be a responsible host and the other featuring non-alcoholic cocktail recipes, were distributed through all Liquor Marts.

Poster and Transit Shelter Ad for the MLCC's "With Child – Without Alcohol" program.

This poster appeared in a number of post-secondary institutions and licensed premises to promote the newest MLCC program "BE UNDRUNK".



Print advertisement to promote the use of photo-identification cards among young adults.

THE MLCC'S LICENSING & INSPECTION DEPARTMENT CONTINUES TO BALANCE EDUCATION AND ENFORCEMENT TO ENSURE COMPLIANCE WITH *THE LIQUOR CONTROL ACT.*

- Preventing the underage purchase of alcohol continued through programs such as "Show Your Age", the proof-of-age identification program for all retail outlets and licensed establishments. In F'03, the MLCC issued 5,379 photo-identification cards, a two percent increase over the previous year. Although the card is issued as proof-of-age under *The Liquor Control Act*, it has been accepted as government-issued photo id for travel purposes in Canada and the United States, resulting in the increase in sales.

Objective #2: Make the promotion of responsible use core to all MLCC activities.

STRATEGIES & ACCOMPLISHMENTS:

- The MLCC recognizes its responsibility for promoting responsible alcohol consumption both outside and within the Commission, and in F'03 set out to develop a formal corporate policy on responsible alcohol use for all employees. This policy, developed with input from the Board of Commissioners, management and employees, was incorporated into a larger Code of Conduct, which will be finalized and presented to all Commission employees in F'04.
- The MLCC continued its involvement with a number of organizations in programs that addressed alcohol and pregnancy, responsible alcohol use by young adults, drinking and driving issues and safety issues in downtown Winnipeg. These organizations and initiatives include Safe Grad/TADD; MADD; Non-Potable Alcohol Abuse Committee; Manitoba Addictions Awareness Week; Winnipeg Dowtown BIZ Association; Integrated Border Enforcement Team; and the Responsible Service Committee.

Objective #3: Optimize compliance with *The Liquor Control Act*.

STRATEGIES & ACCOMPLISHMENTS:

- The MLCC's Licensing & Inspection Department continues to balance education and enforcement to ensure compliance with *The Liquor Control Act*. Licensed establishments received 27,613 visits from liquor inspectors in F'03, and inspectors conducted 145 educational seminars for licensees and their staff. These figures are comparable to last year and were on target with the business plan.
- The MLCC has a targeted inspection program for those establishments where liquor is the primary component of the operation, such as

beverage rooms, cabarets, beer vendors and cocktail lounges. These establishments are inspected more frequently than licensed premises that focus primarily on food service. The number of inspections by operation type was on target in F'03.

- Inspection of occasional permits also remained on target with 1,695 or 20.8 percent of sale permit functions being inspected. Educational seminars for occasional permit holders and banquet hall operators increased 17.5 percent to 134 in F'03.
- Licensing & Inspection also recommends a progressive disciplinary action for licensees who continue to breach *The Liquor Control Act*. The average number of days licensees were closed increased from 1.5 to 2.9 days in F'03.
- The MLCC continues to work toward reducing incidents of over-service to intoxicated persons and sale to minors through continued education of various stakeholder groups. Approximately 1,058 owner/managers and 5,217 server/security personnel completed the mandatory "It's Good Business" responsible service course through Manitoba Tourism Education Council (MTEC). These figures exceeded yearly targets by five percent and 30 percent respectively.
- Responsible service training education may also have contributed to a 10 percent decrease in the number of administrative warnings and disciplinary hearings involving over-service and sale to intoxicated patrons. This is on target with the MLCC's business plan.

NUMBER OF HOTEL REGISTRATIONS & LICENCES

Class of Licence	1999	2000	2001	2002	2003
Hotel Registration	323	324	328	324	323
Retail – Beer Vendor	301	301	303	298	296
– Brewer's Retail	2	2	4	3	2
– Sacramental Wine	3	3	3	3	3
Beverage Room	291	286	287	279	277
Dining Room	1,085	1,110	1,133	1,133	1,116
Transportation	19	20	14	11	11
Cocktail Lounge	403	419	429	444	455
Cabaret	19	21	21	24	20
Spectator Activities	37	39	39	39	41
Private Club	260	265	267	265	266
Military Canteen	19	19	20	18	18
Sports Facility	132	139	146	150	154
Manufacturer's	49	53	53	55	35
Total	**2,943**	**3,001**	**3,047**	**3,046**	**3,017**

OCCASIONAL PERMITS ISSUED

	1999	2000	2001	2002	2003
Liquor Sold	9,334	9,242	8,923	7,991	8,056
Liquor Complimentary	4,742	4,915	4,735	4,750	4,641
Total	**14,076**	**14,157**	**13,658**	**12,741**	**12,697**

INSPECTIONS, INVESTIGATIONS AND EDUCATIONAL SEMINARS

	1999	2000	2001	2002	2003
Licensed Premises					
Licensee visits	24,692	25,782	27,451	28,161	27,613
Investigations/final inspection of premises	622	799*	852*	1,010*	984*
Education of licensees/their staff	254	176**	194**	151**	145**
Total	**25,568**	**26,757**	**28,497**	**29,322**	**28,742**
Occasional Permits					
Inspections while in progress	2,424	2,030	1,903	1,658	1,695
Investigations prior to issue	1,246	1,031	1,098	1,033	1,029
Education of hall owners/permittees/public	272	164	113	114	134
Inspection of new banquet halls	13	76	76	70	103
Total	**3,955**	**3,301**	**3,190**	**2,875**	**2,961**
General and Public Concern Investigations	**1,652**	**1,221*** **	**1,369*** **	**1,296*** **	**1,309*** **

* *Includes investigations by the licensing advisor on new facilities.*
** *Includes facilitations by the liquor inspectors of the "It's Good Business" course for servers.*
*** *Prior to Fiscal 2000, each inspector dealing with a complaint recorded it. The complaint is now recorded only once. Also, includes photo-identification investigations.*

LEGISLATIVE CHANGES

THE LIQUOR CONTROL ACT:

On December 12, 2002, Bill 2, *The Civil Remedies Against Organized Crime and Liquor Control Amendment Act*, received Royal Assent.

This Bill enables a Court of Queen's Bench judge to deny applications for certain licences, and to make orders cancelling certain licences, where a person who owns, controls, manages, or influences the management of a business, is a member of a criminal organization, knowingly carries on business for an unlawful purpose, or conspires to engage in unlawful activity. This includes denying and cancelling liquor licences.

Legislation has also been put in place to allow a judge to order a premises used in connection with a business affected by an order under *The Civil Remedies Against Organized Crime and Liquor Control Amendment Act*, to be designated a prohibited place for liquor. If a premises is a prohibited place for liquor, then liquor cannot be present, sold or consumed therein.

As part of Bill 2, *The Liquor Control Act* was also amended to make wearing gang colours in a licensed premises an offence. Gang colours is defined in the Bill as meaning "a sign, symbol, logo or other representation identifying, associated with, or promoting a group of persons who conspire to engage in unlawful activities". Persons found wearing gang colours in a licensed premises could be issued an offence notice (ticket) and be subject to a fine.

THE LIQUOR CONTROL ACT:

M/R 200/94, Liquor Control (Miscellaneous Provisions) Regulation, was amended by M/R 163/2002, which was registered on September 30, 2002. The amending regulation deletes the requirement for a manufacturer to submit a monthly statement of consumption on the premises to the Commission, and added the requirement for a manufacturer to keep records on consumption on the premises for review by the Commission.

M/R 177/94, Liquor Licensing Regulation, was amended by M/R 164/2002, which was registered on September 30, 2002. The amending regulation specifies that only on-duty employees may serve liquor; specifies the minimum hours of a dining room

operating in conjunction with a beverage room; specifies the requirement for certain numbers of hotel guest rooms to qualify for beverage room and retail beer vendor licences; and clarifies required times for live entertainment in a cabaret and the keeping of cabaret entertainment records.

M/R 199/94, Liquor Packaging and Delivery Regulation, was amended by M/R 165/2000, which was registered on September 30, 2002. The amending regulation deleted delivery of liquor by liquor vendors.

DISCIPLINARY ACTION

	1999	2000	2001	2002	2003
Licensees:					
Administrative					
– warning letters	16	64	76	100	229*
– meetings with Manager, Inspection Services	48	26	48	29	30
Total	**64**	**90**	**124**	**129**	**259**
Board					
– disciplinary hearings	32	35	38	45	41
– appeal hearings	13	4	9	6	6
Board Action					
– warnings	11	6	4	10	5
– suspensions	21	25	25	36	29
– cancellations	1	1	0	2	0
– other	0	3	6	2	10
Total	**33**	**35**	**35**	**50**	**44**
Total days suspended	48	70	37	82	121**

Note: Board actions may not equal number of hearings due to appeals carried forward to next fiscal year, or more than one action taken at a hearing.

Permittees/Hall Owners:					
Administrative					
– warnings	12	16	21	13	30
– suspension of privileges	8	12	4	4	7
Total	**20**	**28**	**25**	**17**	**37**

* *134 administrative warning letters specifically related to "It's Good Business" training.*

** *59 days suspended attributed to one licensee (suspension is ongoing into F'2004).*

Breaches of The Liquor Control Act can be handled administratively or through a hearing before the Licensing Board. Where there is no previous record, the inspector may handle the matter through education of the licensee and staff. Where there is a record of operation and the breach is of a less serious nature, administration may issue a letter of warning or meet with the licensee to discuss solutions to the problem. These letters/meetings form part of the licensee's record of operation. Where there is a record of operation and the breach is of a serious nature, the matter is referred to the Licensing Board for a hearing. Appeals are heard by the Board of Commissioners.

Breaches of The Liquor Control Act by banquet hall operators and occasional permit holders are normally handled by administration of the Commission.

RETAIL OUTLETS – 2003

CUSTOMER SERVICE

Goal: Deliver a high level of service quality to our retail and commercial customers throughout the province.

STRATEGIES & ACCOMPLISHMENTS:

- To measure customer service performance, the MLCC routinely conducts customer surveys comparing retail service standards in Liquor Marts against three larger retailers of grocery items, general goods and drugs. Ratings are based on 15 criteria including staff product knowledge, variety of products available, and ease of finding products. In a January 2003 survey of 500 Winnipeg customers and 100 customers in Brandon, the MLCC received top marks in 14 out of 15 categories. The only category not to receive the highest marks was for hours of operation.
- The MLCC also measures customer service through the use of a professional shopping service of its Liquor Marts. Stores are rated on a number of standards including promptness of service, friendliness of staff, store condition and product knowledge. Professional shops were conducted at Winnipeg stores late in the fiscal year and resulted in a satisfaction rating of 92 percent overall – the highest rating ever!
- To ensure an enjoyable shopping experience for customers, the MLCC undertakes a number of Liquor Mart renovation projects on an annual basis. These range from better merchandizing and improved customer access, to the addition of "Wine Corners" and "Refreshment Beverage Areas for Coolers and Beer," to full store renovations to modernized standards. In F'03, merchandizing renovations occurred at the Winnipeg Crestview Liquor Mart and at Liquor Marts in Dauphin, Virden, Neepawa and Roblin. The Liquor Mart in Swan River was relocated to a more visible location and fully renovated to modern standards. All renovations were completed on schedule and on budget.
- Improving customer service and sales at the liquor vendor level was also a priority for the MLCC in F'03. Approximately 241 liquor vendor staff received product knowledge training and 18 new liquor vendor staff received social responsibility training. As well, liquor vendor standards for customer service quality and product selection were enforced resulting in liquor vendor sales achieving a growth rate of 4.8 percent, matching sales growth in Liquor Marts.

LISTINGS: 2002-2003

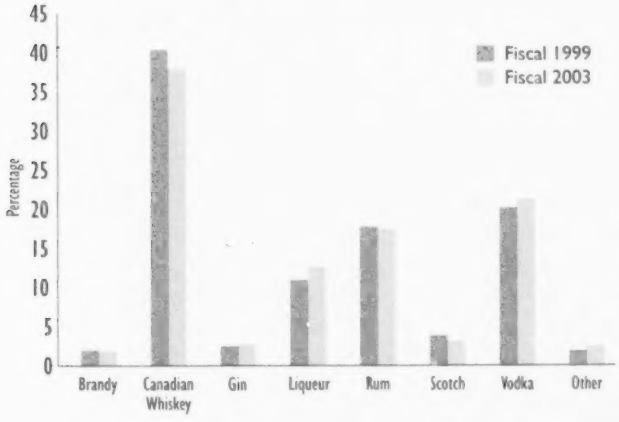
spirits	general list	511
	specialty list	240
wines	general list	665
	specialty list	955
beer	MLCC distributed	69
	privately distributed	246
coolers/ciders	general list	69
	specialty list	3

TOTAL: 2758 active listings as at March 31, 2003

- The MLCC continues to work toward Category Management. This process manages product categories as individual business units, producing enhanced business results by focussing on delivering consumer value. In F'03, the MLCC undertook a pilot project on one of the province's key liquor categories. The successful pilot projected an estimated benefit of over $1 million in profit for the MLCC. A Category Manager was hired toward the end of the fiscal year to continue the focus on Category Management initiatives.
- The MLCC continued to monitor the popularity of expanded Sunday sale and service, which was introduced in F'02. Sunday continues to be the fastest growing retail sales day of the week with customers showing their continued support of Sunday shopping in Liquor Marts.
- Total sales growth over the past year was 4.8 percent.

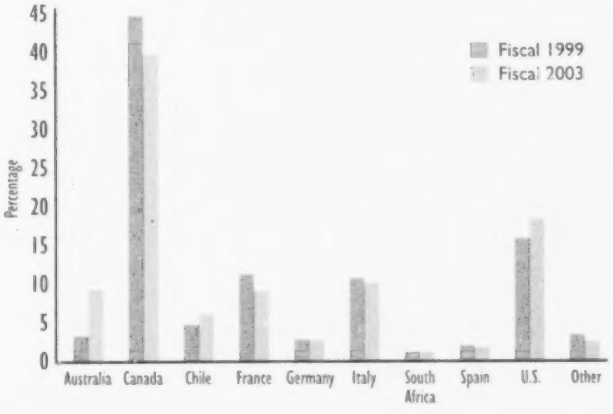
SPIRIT SALES BY TYPE

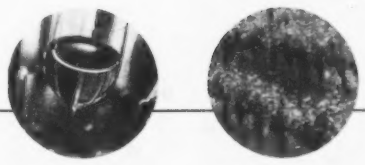
Fiscal 1999 and Fiscal 2003



WINE SALES BY COUNTRY

Fiscal 1999 and Fiscal 2003





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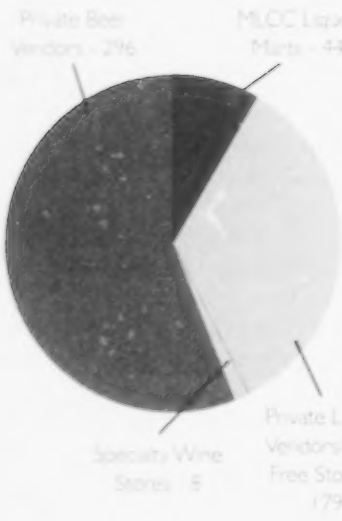

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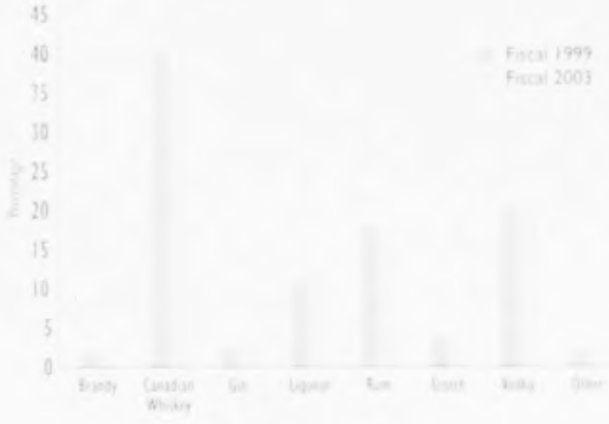
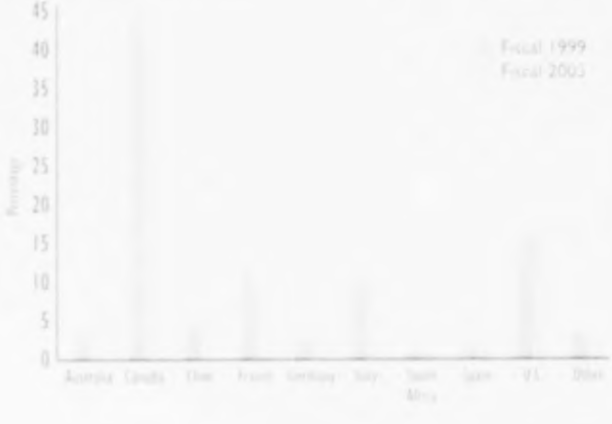
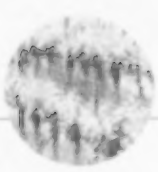


WINE SALES BY COUNTRY

Fiscal 1999 and Fiscal 2003





BUSINESS EFFECTIVENESS

Goal: Conduct operations in a consumer-oriented and business-like manner, working in partnership with suppliers and commercial customers to identify and move to industry best practices.

Objective #1: Initiate programs, which over time, will make the MLCC the best Canadian liquor jurisdiction and moves the MLCC to best practices in all areas.

STRATEGIES & ACCOMPLISHMENTS:

- To meet this objective, the MLCC continually reviews its service and productivity measures as well as the cost effectiveness of its processes. In F'03, the Distribution Centre handled over 1.7 million cases of product, an increase of 4.2 percent over last year, while cases per labour hour exceeded the goal to reach 30.6 cases per hour. The inventory turnover target of 8.4 was achieved although targets were adjusted downward in anticipation of changes resulting from the LINK project implementation. Through better management, in-stock inventory service levels increased last year to 98.4 percent, exceeding the target of 94 percent.
- Liquor Mart store managers were very successful at exceeding performance targets for the year. In-stock service levels exceeded targets by almost four percent. Units per labour hour were 29.73 units, slightly under the target 30 units, while inventory turnover exceeded the target of 12 turns, achieving an average of 13.3 turns for the year. In addition Liquor Marts controlled operational expenses at 9.2 percent and store shrinkage was kept to 0.12 percent as a result of MLCC controls to safeguard assets. Liquor Marts achieved an average sales per square foot of $889.

Objective #2: Establish an appropriate number and mix of private vendors and MLCC operated Liquor Marts to provide cost-effective customer service throughout the province.

STRATEGIES & ACCOMPLISHMENTS:

- The MLCC annually reviews the mix of Liquor Marts and private liquor vendors by a comparison of cost of operation. Due to an effective mix of MLCC owned and private vendors, Liquor Mart operations were 9.2 percent of sales, while the cost of operation for liquor vendors was 11.1 percent.
- The Shops of Winnipeg Square Liquor Mart, located in Winnipeg's business district, was closed permanently on June 30, 2002 due to low sales volume combined with high operating costs.

Objective #3: Establish and promote our corporate image with our stakeholders.

STRATEGIES & ACCOMPLISHMENTS:

- The MLCC continues to monitor its image with customers through the use of public awareness surveys. In the January 2003 survey of retail customers, the MLCC received strong support (96 percent) for promoting responsible alcohol consumption through programs that discourage drinking and driving, and drinking while pregnant. Almost three-quarters (74.5 percent) of the Winnipeg and Brandon Liquor Mart customers recalled seeing the MLCC or Liquor Mart logo and 61 percent of those customers could successfully describe the logo or a major element.

Objective #4: Develop contingency plans.

STRATEGIES & ACCOMPLISHMENTS:

- Recognizing the need for a solid contingency plan in the event of a naturally occurring or human caused emergency, the MLCC developed a comprehensive Contingency Plan. The plan addresses emergency response procedures for a number of scenarios. Due to staff commitment to the LINK project, a backup plan for Information Technology has been deferred until the implementation of LINK is complete.

WORKPLACE QUALITY

Goal: Promote a modernized work environment that allows employees to contribute to the effective implementation of plans, objectives and strategies.

Objective #1: Implement an effective Corporate Governance model.

STRATEGIES & ACCOMPLISHMENTS:

- The Board of Commissioners established a Governance Committee, comprised of Board and Executive Management representatives, to review best practices and develop an appropriate governance model and policies. A by-law and supporting polices were approved and implemented in September 2002.

Objective #2: Implement a user-driven Information Technology and Information Services environment, which provides decision support and performance enhancement systems.

STRATEGIES & ACCOMPLISHMENTS:

- The LINK project (Linking Ideas and Networking Knowledge), implemented in F'02, continued to be a significant investment of human and financial resources for the MLCC. The multi-year project is intended to integrate approximately 20 outdated computer systems into one system. Approximately 40 employees were devoted to the project in F'03. The Finance and Human Resources modules were successfully implemented. The anticipated implementation for the Payroll module was delayed due to technical issues. The overall project remains on target and budget with an expected completion in F'05.

Objective #3: Enhance an inclusive culture that encourages participation of all staff.

STRATEGIES & ACCOMPLISHMENTS:

- Continuing its commitment to workplace quality, the MLCC developed an Action Plan to follow through on items identified for improvement in F'02's employee Workplace Quality Survey. The plan itemized specific initiatives, assigned responsibility and set target dates. The MLCC has made significant progress on addressing short-term initiatives, while progress will continue on longer-term initiatives.
- As a provincial government agency, the MLCC operates under the Collective Agreement and will be commencing collective bargaining in the early part of Fiscal 2004.

Objective #4: Ensure a well-trained staff and management workforce that has the capability to undertake new responsibilities.

STRATEGIES & ACCOMPLISHMENTS:

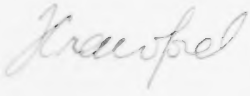
- Recognizing a need to develop employees for senior management positions, the MLCC began work on a succession plan for senior positions, including the identification of core competencies. The project is ongoing and will take several years to fully implement.
- The MLCC's Store Manager Development Program encourages career development for Liquor Mart employees through on-the-job training, internal and external seminars and formal university courses. In F'03, 13 employees from Winnipeg and rural Liquor Marts were selected to enter the program.
- Investing in employee education and training is a priority for the MLCC. Liquor Mart staff and product consultants receive ongoing training to enhance product knowledge and friendly service. In F'03, 359 staff attended a three-hour product knowledge seminar, 33 employees received the Basic Wine Course and 26 employees received their Higher Certificate. In addition, 392 participants attended 28 supplier-led product information seminars.
- Employee development is also encouraged through computer training, customer service training, as well as various courses in management, business writing, quality control and health and safety. Liquor inspectors received training in alcohol field sobriety testing and non-violent intervention skills, which will assist them in their field work. In total, 218 training sessions were held involving 935 employees.

MANAGEMENT REPORT

The accompanying financial statements are the responsibility of Management and have been prepared in accordance with the accounting policies disclosed in Note 2. In Management's opinion, the financial statements have been properly prepared and of necessity, include some amounts based upon Management's best estimates and judgements.

As Management is responsible for the integrity of the financial statements, Management has established systems of internal control to provide assurance that assets are properly accounted for and safeguarded from loss.

Don Lussier
President & CEO



Tracy Crawford
Chief Financial Officer

FINANCIAL STATEMENTS

AUDITORS' REPORT

To the Board of Commissioners
The Liquor Control Commission

We have audited the balance sheet of The Liquor Control Commission (an Agency of the Government of the Province of Manitoba) as at March 31, 2003 and the statements of income and cash flows for the year then ended. These financial statements are the responsibility of The Liquor Control Commission's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of The Liquor Control Commission as at March 31, 2003 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Grant Thornton LLP

Grant Thornton LLP
Chartered Accountants

Winnipeg, Canada
May 9, 2003

THE LIQUOR CONTROL COMMISSION

STATEMENT OF INCOME

(In Thousands)

YEAR ENDED MARCH 31	2003	2002
Sales	$ 434,980	$ 422,604
Cost of sales	229,532	223,464
Gross profit	205,448	199,140
Other income (Note 5)	7,133	5,576
	212,581	204,716
General and administrative expenses (Note 6)	44,127	39,938
Operating profit before depreciation	168,454	164,778
Depreciation (Notes 2 and 7)	2,107	1,462
Net profit paid or payable to the Province of Manitoba	$ 166,347	$ 163,316

SEE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

THE LIQUOR CONTROL COMMISSION

BALANCE SHEET

(In Thousands)

MARCH 31	2003	2002
ASSETS		
CURRENT		
Cash and cash equivalents	$ 12,146	$ 14,685
Accounts receivable – Province of Manitoba	1,375	1,375
Accounts receivable – claims and other	596	715
Inventory (Note 4)	17,831	17,630
Prepaids expenses and supplies	775	797
	32,723	35,202
Fixed assets (Note 7)	10,344	8,018
Long-term commitments – Province of Manitoba (Notes 8 and 9)	43,897	40,638
	$ 86,964	$ 83,858
LIABILITIES		
CURRENT		
Accounts payable – trade and other	$ 14,985	$ 16,274
Goods and services tax payable	1,123	2,060
Manitoba retail sales tax payable	942	992
Net profit payable to the Province of Manitoba	20,247	18,216
Environmental protection tax payable	116	121
Deferred licence fees	512	523
	37,925	38,186
LONG-TERM		
Provision for employee pension benefits (Note 8)	40,733	37,473
Provision for retirement allowances (Note 9)	3,806	3,699
Non-interest bearing working capital advance provided by the Province of Manitoba	4,500	4,500
	$ 86,964	$ 83,858

Approved on behalf of the Commission

Chair of the Board

Chair of the Audit Committee

President and Chief Executive Officer

Chief Financial Officer

SEE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

THE LIQUOR CONTROL COMMISSION

STATEMENT OF CASH FLOWS

(In Thousands)

YEAR ENDED MARCH 31	2003	2002
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		
OPERATING ACTIVITIES		
CASH RECEIPTS		
Sales – spirits, wine, coolers/ciders and beer	$ 434,980	$ 422,604
Annual and supplementary licence fees and other	3,986	3,894
Goods and services tax	30,660	29,833
Manitoba retail sales tax	13,156	12,572
Manitoba WRAP tax	431	409
Environmental protection tax	1,713	1,653
	484,926	470,965
CASH DISBURSEMENTS		
Purchases – merchandise, federal duty, excise and sales taxes, etc.	229,907	221,408
General and administrative expenses	41,905	37,094
Goods and services tax	31,598	29,802
Manitoba retail sales tax	13,206	12,463
Manitoba WRAP tax	432	406
Environmental protection tax	1,718	1,644
	318,766	302,817
Net cash available from operating activities	166,160	168,148
INVESTING ACTIVITIES		
Acquisition of fixed assets	(4,383)	(3,792)
Net cash available for transfer	161,777	164,356
TRANSFERS TO PROVINCE OF MANITOBA		
Current year's net profit	146,100	145,100
Prior year's net profit	18,216	16,113
	164,316	161,213
(Deficiency) excess of cash receipts over disbursements and transfers	(2,539)	3,143
Cash and cash equivalents, beginning of year	14,685	11,542
Cash and cash equivalents, end of year	$ 12,146	$ 14,685

SEE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

THE LIQUOR CONTROL COMMISSION

SCHEDULE OF SALES, COST OF SALES AND GROSS PROFIT

(In Thousands)
YEAR ENDED MARCH 31

	Spirits	Wine	Ciders/ Coolers	Beer	Total
SALES					
Stores	$ 105,633	$ 48,062	$ 8,946	$ 24,304	$ 186,945
Liquor vendors	29,487	5,628	2,986	3,665	41,766
Licensees	19,080	3,677	2,920	170,803	196,480
Specialty wine stores	–	9,736	53	–	9,789
Total sales for 2003	**$ 154,200**	**$ 67,103**	**$ 14,905**	**$ 198,772**	**$ 434,980**
Total sales for 2002	$ 153,595	$ 62,811	$ 12,697	$ 193,501	$ 422,604
COST OF SALES					
Total cost of sales for 2003	**$ 61,732**	**$ 31,710**	**$ 7,766**	**$ 128,324**	**$ 229,532**
Total cost of sales for 2002	$ 61,555	$ 30,011	$ 6,700	$ 125,198	$ 223,464
Gross profit for 2003	**$ 92,468**	**$ 35,393**	**$ 7,139**	**$ 70,448**	**$ 205,448**
Gross profit for 2002	$ 92,040	$ 32,800	$ 5,997	$ 68,303	$ 199,140
Gross profit as a percentage of sales for 2003	**60.0%**	**52.7%**	**47.9%**	**35.4%**	**47.2%**
Gross profit as a percentage of sales for 2002	59.9%	52.2%	47.2%	35.3%	47.1%

SEE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

THE LIQUOR CONTROL COMMISSION

NOTES TO THE FINANCIAL STATEMENTS

(In Thousands)
MARCH 31, 2003

1. Nature of organization

The Liquor Control Commission was formed in 1923 as an agency of the Government of Manitoba under the Government *Liquor Control Act*. The Commission's mandate is to purchase, sell and regulate alcoholic beverages; to determine locations for retail liquor outlets; to licence and regulate facilities used by the consuming public; to provide revenue to the Province from the activities of the Commission; and to do all such things necessary to effect the provisions of *The Liquor Control Act*.

2. Significant accounting policies

a. Cash and cash equivalents include cash on hand, balances with banks and outstanding electronic fund transfers.

b. Inventories of goods for resale are valued at cost.

c. Depreciation is provided on the declining balance basis at the following annual rates:

Automobiles	30%
Equipment and furnishings	20%
Paving	8%
Systems development	30%

Leasehold improvements are depreciated on a straight line basis over the remaining term of the lease or a minimum of five years.

d. **Pension costs**

Substantially all of the employees of the Liquor Control Commission are eligible for pension benefits in accordance with the provision of the Civil Service Superannuation Act administered by the Civil Service Superannuation Board. Plan members will receive benefits based on the length of services and on the average of annualized earnings calculated on the best five years prior to retirement, termination, or death, that provides the highest earnings.

Pension costs, included in salaries, benefits and pension costs, consist of the employer's share of pension benefits paid to retired employees, as well as the increase in unfunded pension liabilities during the fiscal year. This liability is determined actuarially every three years with the balances for the intervening years being determined by formula provided by the actuary as detailed in Note 8.

e. **Other income**

Other income includes funding from the Province of Manitoba for the Commission's share of provisions provided for unfunded pension liabilities.

f. The Commission's financial instruments consist of cash, accounts receivable, amounts due to a related party and accounts payable. It is management's opinion that the Commission is not exposed to interest, currency or credit risks arising from these financial instruments. The fair value of these financial instruments approximate their carrying values, unless otherwise noted.

g. **Use of estimates**

In preparing the Commission's financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenue and expenses during the period. Actual results could differ from these estimates.

3. Adjustments to provisions for employee pension benefits

During the year, it was determined that a provision for employee pension benefits was over accrued in prior years. The comparative figures have been restated to reflect a reduction in the liability by $3,441, and a matching reduction in the offsetting receivable for long-term commitments – Province of Manitoba. $251 of the reduction relates specifically to the 2002 fiscal year, with the balance relating to years prior to 2002. Such changes do not affect the net profit paid or payable to the Province of Manitoba.

In addition, the 2003 financial statements reflect the results of the December 31, 2001 actuarial valuation. The valuation resulted in a $1,322 increase in the March 31, 2002 liability, which was recorded in the current year.

Long-term funding commitments, other income and pension costs have been adjusted to reflect the changes in the provision for employee pension benefits for each year.

4. Inventory

	2003	2002
In bond merchandise	$ 9,509	$ 10,255
Duty paid merchandise	8,322	7,375
	$ 17,831	$ 17,630

The amount of unpaid and unrecorded Customs and Excise duties on owned merchandise held in bond is approximately $2,222 at March 31, 2003 (2002: $2,493).

5. Other income

	2003	2002
Long-term funding commitments - Province of Manitoba	$ 3,259	$ 1,930
Advertising revenue other	853	666
Supplementary licence fees	745	750
Occasional permits additional fees	692	706
Annual licence fees and licence application fees	598	617
Occasional permits	289	255
Air Miles revenue	221	188
Administration charges	186	208
Miscellaneous	186	172
Border point fees	56	34
Speciality wine store fees	48	50
	$ 7,133	$ 5,576

6. General and administrative expenses

	2003	2002
Salaries, benefits, and pension costs	$ 28,558	$ 24,847
Leased premises – rentals (Note 10)	4,484	4,324
Maintenance and repairs	1,376	1,135
Delivery charges	1,164	1,173
Utilities	1,093	1,101
Bank charges	996	852
Air Miles program	862	845
Equipment rentals (Note 10)	850	503
Printing, postage and supplies	609	698
Grants in lieu of taxes	578	522
Professional fees	478	380
Health and post secondary education tax levy	449	411
Alcohol education	369	393
Miscellaneous	339	333
Protective services	336	338
Advertising and promotions	328	464
Image enhancement	327	350
Staff training	267	570
Travelling	206	199
Product analysis	157	161
Vehicle expenses	154	151
Communications	80	99
Crown Corporations Council levy	67	89
	$ 44,127	$ 39,938

7. Depreciation/fixed assets

			2003	2002
	Cost	Accumulated Depreciation	Net Book Value	Net Book Value
Leasehold improvements	$ 5,115	$ 1,317	$ 3,798	$ 3,180
Equipment and furnishings	4,130	2,007	2,123	2,117
Systems development	6,899	2,854	4,045	2,381
Automobiles	484	237	247	230
Paving	196	65	131	110
	$ 16,824	$ 6,480	$ 10,344	$ 8,018

8. Provision for employee pension benefits

	2003	2002
Balance, beginning of year		
As previously reported	$ 40,914	$ 38,734
Adjustment to calculation of provision (Note 3)	(3,441)	(3,190)
As restated	37,473	35,544
Adjustment to provision from 2001 actuarial valuation (Note 3)	1,323	–
Benefits accrued	1,164	1,087
Interest accrued on benefits	2,804	2,654
Benefits paid	(2,031)	(1,812)
Balance, end of year	$ 40,733	$ 37,473

An actuarial valuation of the provision for employee pension benefits was conducted by Ellement & Ellement Ltd. Consulting Actuaries as at December 31, 2001. The key actuarial assumptions used were a rate of return of 6.75% (1998 - 7.00%), 2.75% inflation (1998 - 3.00%), salary rate increases 4.5% (1998 - 4.5%) and post retirement indexing at 2/3 of the inflation rate. The service to date projected benefit method was used and the liabilities have been extrapolated to March 31, 2003 using a formula provided by the actuary.

The provision for employee pension benefits is fully offset by a receivable from the Province included as part of long-term commitments – Province of Manitoba.

9. Provision for retirement allowances

Effective April 1, 1998, the Commission commenced recording accumulated retirement allowances for its employees. Eligible employees are entitled to receive a retirement allowance equal to one week's pay to a maximum of 25 weeks, for each year of continuous employment, based on the current salary at date of retirement. The provision recorded is based on a method of calculation set by the Province of Manitoba.

The Province has accepted responsibility for the retirement allowances accumulated by the Commission's employees to March 31, 1998. Accordingly, the opening provision for retirement allowances as at April 1, 1998 of $3,165 was completely offset by a receivable from the Province included as part of long-term commitments - Province of Manitoba.

10. Long-term leases

a. The Commission leases its head office and 10 other buildings from the Government of the Province of Manitoba for the nominal sum of two dollars effective August 1, 1985, for a period of 99 years.

b. The Commission leases another 37 buildings. Leases have expiry dates ranging from 2003 to 2013.

10. **Long-term leases** *(cont'd)*

The future minimum lease payments for each of the next five years and thereafter are as follows:

Year ending March 31

2004	$ 2,955
2005	2,698
2006	2,431
2007	2,144
2008	1,947
Thereafter	4,351

c. The Commission leases computer equipment. Leases on this computer equipment expire in 2007.

The future minimum lease payments for each of the years to the expiry of the lease contracts are as follows:

Year ending March 31

2004	$ 814
2005	614
2006	519
2007	142

11. Contingent liability

a. Legal action has been taken against the Commission by the six stand-alone private wine stores claiming the Commission's interference with their economic interests, abuse of public authority and breach of contract. The outcome of this action and the amounts involved are not determinable.

b. Legal action has been taken against the Commission by the two specialty food and wine private wine stores claiming discriminatory action by the Commission under *The Competition Act* with regard to the discount structure. The outcome of this action and the amounts involved are not determinable.

12. Comparative figures

Prior year's comparative figures have been restated, where necessary, to conform with the financial statement presentation adopted for the fiscal year ended March 31, 2003.

LIQUOR MARTS

The Commission's 44 self-serve stores operate in the following areas:

Rural

Beausejour
Brandon – 10th & Victoria Avenue
Brandon Shoppers Mall
Carman
Churchill
Dauphin
Flin Flon
Gimli
Killarney
Lac du Bonnet
Minnedosa
Morden
Neepawa
Pine Falls
Portage la Prairie
Roblin
Russell
Selkirk
Swan River
The Pas
Thompson
Virden

Winnipeg

Charleswood – 27-3900 Grant Avenue
cityplace – 333 St. Mary Avenue
Crestview Shopping Centre – 170-3393 Portage Avenue
Dominion Shopping Centre – 21 Marion Street
Eastwinds Shopping Centre - 23-1530 Regent Avenue
Fort Garry, 1235 Pembina Highway
Fort Richmond, 2855 Pembina Highway
Grant Park Plaza Shopping Centre – 1120 Grant Avenue
Hargrave & Ellice – 325 Ellice Avenue
Madison Square – P-1600 Ness Avenue
Main & Jefferson – 1662 Main Street
Main & Pritchard – 1005 Main Street
Northdale Shopping Centre – 965A Henderson Highway
Northgate Shopping Centre –1399 McPhillips Street
Portage & Ainslie – 2549 Portage Avenue
Portage & Burnell – 925 Portage Avenue
River & Osborne – 471 River Avenue
St. Vital Square – 5-827 Dakota Street
Southdale Shopping Centre – 21-67 Vermillion
Transcona Square – 1-620 Kildare Avenue E.
Tuxedo – 168-2025 Corydon Avenue
Tyndall Market Mall – 850 Keewatin Street

LIQUOR VENDORS

Liquor vendors are partners with the Manitoba Liquor Control Commission. By combining liquor sales with their existing business, these local entrepreneurs help to ensure their viability. There are currently 175 liquor vendors operating in Manitoba.

Alexander	Stahl's Food Mart
Alonsa	Fashoway Café & Confectionery
Altona	Altona Cleaners Ltd.
Amaranth	Bayside Bargains
Anola	Anola Lucky Dollar
Arborg	Arborg Pharmacy
Argyle	Meridian Trail General Store
Ashern	Ashern Pharmacy
Austin	L & L Austin Solo
Baldur	Baldur Variety Store
Belmont	Belmont Hardware
Benito	Benito Pharmasave
Birch River	Birchwood Convenience
Bird River	Tall Timber Lodge
Birds Hill	Birds Hill Store
Birtle	Birtle Midtown Convenience
Bissett	Bissett Variety
Boissevain	Hazlewood Enterprises
Bruxelles	Marginet's Grocery & Hardware
Camperville	McKay Grocery
CFB Shilo	Bx Shopping Centre
Carberry	Spud City Food Mart Ltd.
Cartwright	Cartwright Health Centre
Clandeboye	Clandeboye Store
Clearwater Lake	Wally's Place
Cowan	Kolisnyk's General Stoe
Cranberry Portage	Streamer Hardware
Cypress River	Cypress River Lucky Dollar
Deloraine	Myrna's Fabric Boutique
Dominion City	Mike's Bigway
Dugald	Dugald Convenience Store
Elgin	West Elgin Mall
Elie	Elie Grocery Store
Elkhorn	Twin Valley Co-op Ltd.
Elm Creek	Elm Creek Grocery
Elma	Lycar Solo
Emerson	Holly's Food & Hardware Ltd.
Erickson	Mountain Park Pharmacy
Erikdale	Shop Easy Foods
Ethelbert	Bird's Corner Store
Falcon Lake	Lumber One Building Supplies
Fisher Branch	Fisher Branch Health Centre
Fraserwood	J & J Store
Garson	Garson Grocery Ltd.
Gilbert Plains	Gilbert Plains Pharmacy
Gillam	Chamdon Enterprises Ltd.
Gladstone	Gladstone Pharmacy
Glenboro	Glenboro Pharmacy Ltd.
Glenella	Preisentanz's General Store
Glenora	Glenora Mall
Grand Marais	Grand Marais Village Store
Grand Rapids	Grand Rapids Esso
Grandview	Grandview Home Hardware
Great Falls	Great Falls Foods
Grindstone	Grindstone General Store
Gull Lake	Sherwood Grocery
Gypsumville	Rawluk's Grocery & Pro Hardware
Hadashville	Kiedyk's Convenience Store
Hamiota	Rawlings Home Hardware
Hartney	Hartney Variety Store
Hecla	Hecla Island General Store
Hodgson	Skibinski's General Store
Holland	Holland Home Hardware
Ile des Chênes	Ile des Chênes Country Store
Inglis	Jordie's Food Mart
Inwood	Inwood Food Town
Kelwood	Kelwood Store
Kenton	Houston's
Komarno	Komarno Quality Store
La Broquerie	Le Bon Ami
La Salle	Jeni's Food & Hardware
Lake of the Prairies	Kilman Resort
Lake Metigoshe	Scott's Landing
Langruth	Farncombe's Food Centre
Laurier	Fosberry Foods
Leaf Rapids	Kings Health & Variety
Lee River	Camp Hide-Away
Letellier	Gallant's Lucky Dollar
Lockport	Lockport Grocery
Lorette	Chez Heather Shop
Lundar	Lundar Pharmacy Ltd.
Lynn Lake	Clarke's Pharmacy
MacGregor	MacGregor Lo-Cost (1993)
Mafeking	Doan's General Store
Manitou	Manitou Pharmacy
Mariapolis	Pouteau Foods
McAuley	McAuley Country Grocery Co-op Ltd.
McCreary	Reischek's Pharmacy
Melita	Liquid World
Miami	Westaway's Pharmacy
Miniota	Andrew Agencies Ltd.

Minitonas	Nemetchek Enterprises 1992
Minto	Community Market
Moosehorn	Moosehorn Consumers Co-op Ltd.
Morris	Morris Super Variety
Narrows	The Narrows General Store
Newdale	Parkway Insurance
Ninette	Jansen General Store
Notre Dame	Notre Dame Shopping Centre
Nutimik Lake	Nutimik Lodge
Oak Lake	Valleyview Oak Lake Co-op
Oakbank	Family Fare
Oakburn	Oakburn Foodtown
Oakville	Oakville Super Market
Onanole	B & D Hardware Inc.
Pierson	Edward Consumers Co-Operative Ltd.
Pilot Mound	Dobson's Foods Ltd.
Pinawa	Northern Stores Inc.
Pine River	Semeniuk's Groceteria
Pipestone	Corral Foods
Plumas	Plumas Stop & Shop
Pointe du Bois	Lee Dale Developments Ltd.
Poplarfield	King Buck Inn
	Poplarfield Groceteria
Rapid City	Waldon Insurance Agencies Ltd.
Rathwell	Rathwell Solo & Hardware
Rennie	Rennie General Store
Reston	Reston Drugs
Richer	Burnells Food Plus
Ridgeville	Ridgeville Cooperative Community Club
Rivers	Rivers Super Thrifty Drug Mart Ltd.
Riverton	Riverton General Store
Roland	Roland E-Z Mart
Rorketon	Bonnett Insurance Agencies
Rossburn	L.P.K. Enterprises
St. Ambroise	Ducharme's General Store
St. Claude	Philippot's Shop Easy Foods
St. Eustache	Magasin Beaudin Store
St. Francois Xavier	S.F.X. Country Store
St. Jean Baptiste	St. Jean Home Centre
St. Laurent	Depanneur Entre-Lacs
St. Lazare	J.C. & O.J. Ltee.
St. Malo	St. Malo Co-operative Ltd.
St. Pierre-Jolys	Mulaire's Shop Easy
Ste. Agathe	De Panneur Cheyenne
	Convenience Store
Ste. Anne	Ste. Anne Sundries
Ste. Rose du Lac	Ste. Rose Variety Shop (2001)
San Clara	Browser's Country Store
Sandy Lake	Sandy Lake Hardware
Sanford	Sanford Lumber & Building Supply
Sarto	Sarto General Store
Seven Sisters	Genie's Gift & Novelties
Shoal Lake	The Far Side Gifts
Sifton	Boguski Grocery
Snow Lake	Northern Stores Inc.
Somerset	DeCosse Foods
Souris	Souris Valley Foods
Sprague	Carl's Solo Store
Springfield	Garven Grocery Store
Starbuck	"Dawn 'Til Dusk" Convenience Store
Steep Rock	Steep Rock General Store
Stonewall	Stonewall Pharmacy Ltd.
Stony Mountain	Mountainview General Store
Strathclair	Strathclair Consumers Co-op Ltd.
Sundown	Baba & Gido's
Swan Lake	Stevenson's Pharmacy Ltd.
Teulon	Teulon Pharmacy
Tolstoi	Tolstoi Super Mart
Traverse Bay	Traverse Bay Corner Store
Treherne	Treherne Pharmacy
Vassar	Vassar General Store
Vita	Sumthing Special Florist & Gift Shop
Wabowden	Dwyer's General Store
Wanless	BJ Sales-Service-Rentals
Warren	Pete's General Store
Waskada	Wilbro Enterprises Inc.
Waterhen	Waterhen General Store
Wawanesa	Gullett Pro Hardware
Westbourne	Yellowhead Food 'N' Fuel
West Hawk Lake	West Hawk Lake Resort
Whitemouth	Whitemouth Sundries
Winnipeg Beach	Beach Remedies
Winnipegosis	Winnipegosis Meat Market
Woodlands	Studler's General Store
Woodridge	Woodridge General Store

MLCC

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